

October 24, 2023  
6:00 P.M.  
Newport, OR

**PORT OF NEWPORT COMMISSION MINUTES**

*This is not an exact transcript. The video of the session is available on the Port's website.*

The Port of Newport Commission met on the above date and time at the Administration Building, 600 SE Bay Blvd., and virtually via Microsoft Teams. In attendance were Commissioners Retherford, Ruddiman, Chuck, Lackey, and Sylvia. Also in attendance were Executive Director Paula Miranda, Director of Business and Finance Services Mark Brown, Operations Director Aaron Bretz, Administrative Assistant Gloria Tucker, NOAA Facilities Director Jim Durkee, RV Park Supervisor Susan Taylor, City of Newport Planning Director Derrick Tokos, and PR Consultant Angela Nebel. Visitors included Paul Zellman, Rex Capri, and Mary Durkee.

**CHANGES TO THE AGENDA**

Miranda suggested moving to New Business after Item B. Approval Commercial Marina Parking Rates in Old Business, and then returning to Old Business. Sylvia agreed.

**CONSENT CALENDAR**

MOTION was made by Chuck, seconded by Lackey, to approve the consent calendar as presented. The motion carried unanimously in a voice vote.

**OLD BUSINESS**

**City of Newport Bayfront Parking Update.** Sylvia introduced the agenda item. Tokos overviewed the history of the parking district included in the packet. He explained the city's plan to implement paid parking on the Bayfront. He stated the meters and permits would go live in January, but there would be a free permit available, which would be valid until April. He noted the changes to city parking ordinances included in the packet. He added the city would push out information to the public on the parking changes closer to implementation.

Sylvia asked what the city's expectation for increase in revenues is generated annually compared to now. Tokos replied once it's up and running, the expectation is \$350,000 to \$500,000 a year. He explained currently with the business license surcharge, the city receives about \$14,000 a year. Sylvia asked what the fines will look like. Tokos replied he would look into that, but around \$25. Sylvia asked in all the different meetings, were there two or three outstanding issues or were there 200 different issues. Tokos replied the feedback runs the gamut, some say it's about time and they don't even go to the Bayfront anymore, to resignation and they are willing to roll with it and see if it works, and then those who hate it, don't want anything, and argue there is no parking problem. He stated the city's principal purpose is to get better turnover, and it also wants to have a sustainable funding mechanism for parking assets. Sylvia asked when the city will evaluate the program. Tokos replied Council will want a periodic report, but a formal evaluation depends on how well the program is working,

Chuck asked how license plate enforcement going to work. Tokos replied a camera is set up on a patrol car and hits the license plates when driving through. He explained when the program runs into an issue, an officer will get out with a handheld reader and confirm the issue, then the officer writes a ticket. He noted there will be a break-in period with warnings. Chuck asked if the permit will be transferable to other vehicles. Tokos replied there is nothing physical; it's all electronic. He suggested if someone has one vehicle they use twice a month, then they can have one permit and transfer it from a regularly used vehicle online. Retherford explained the use of employee vehicles as well as gear vehicles. Tokos recommended getting a permit for each vehicle when multiple cars are regularly used. Retherford asked if only the fleet manager can access the permits. Tokos replied it is up to the fleet manager if they want to share their credentials with crew. Bretz added there is a loading zone for 60 minutes, where people don't need to worry about a parking pass. He noted Port Dock 5 Pier is a loading zone as well, and no passes are required there. Tokos added loading zones are not subject to the permits, only subject to time limitations.

Sylvia asked how much it cost to set up the electronic system. Tokos replied the contract is over a 5-year period for \$300,000, which includes pay stations, license plate recognition technology, and mobile pay. Sylvia asked if the city would tow people who never move. Tokos replied the police have a progressive set of rules where they can boot or tow vehicles at certain thresholds. He added people who have three outstanding parking tickets, can't feed the meter or get a parking permit.

**Approval Commercial Marina Parking Rates.** Sylvia introduced the agenda item. Bretz reported the rationale was to keep the Port at pace with the city charges. He noted the current Port parking rates are really low, \$26-\$27 a year. He explained the annual parking revenue is \$6,000 or \$7,000. He stated the Port is not getting anywhere near what it takes to maintain parking spaces. He indicated the Port has gravel lots right now, which are repaired once or twice a year and each one costs \$3,000. He emphasized the dollar regulates behavior.

Bretz reported if the Port doesn't keep pace with city charges, motivation for people to get a fishermen permit will increase, and suddenly there will be more demand. He suggested the rate change to \$100 a year and \$25 monthly. He added this will be a major change from current rates. Miranda reported she originally thought about making this effective at around same time as the city, but the city is not charging until April. She noted there are costs the Port is not keeping up with, and the Port has been spending \$20,000 between security, gravelling, and staff. She emphasized she wants to get the Port away from providing services at a loss. She added the new rate is 27 cents per day.

Chuck asked will these permits be transferable. Bretz replied they are a decal, so they are affixed to the vehicle. Sylvia asked what the expectation for total revenue is relative to now. Bretz replied he expects many people buy permits because they don't cost anything, and there's folks who have five permits. He stated he expects some of those people will opt out. He stated the Port sells 210 permits a year, and if everyone buys annual passes that would be \$21,000. Miranda added these will be available to Port tenants like the Yacht Club and Boating Foundation. She noted the Port will have a better idea after the second year, and then evaluate cost and charges.

Chuck asked what the requirements are to get one. Miranda replied the Port will try to work with boats versus individuals. Bretz replied, currently, anyone who says they are affiliated with a boat can get a pass. He noted the Port could require people bring in a letter or proof from boat owners that vouches for them. He added he does not anticipate a huge drive to get these because the price is the same as the city. Chuck confirmed with staff that the parking will be long-term, not



timed. Bretz noted it would work better if people use Port Dock 5 parking for daily parking, but week or longer parking at Port Dock 7. Miranda added the fishermen are managing that themselves.

Lackey asked if the city system will push fishermen into Port lots. Miranda replied there is a chance that will happen. Bretz noted people will have to consider if they want to buy a permit from the city and the Port. He stated he expects this will create more pressure on Port lots, and the issue will be complaints about lack of enforcement. He indicated the Port is going to do the best it can with its resources, but enforcement is very expensive. He added everyone is going to hear complaints about not enough tickets being written. Sylvia confirmed with staff the parking will be evaluated next year. Retherford noted if there is more use in the lots, there will be more maintenance costs. She stated at some point, the fee won't be enough. Miranda added the Port budgeted to pave the Port Dock 7 parking lot. She noted it may not be until spring or summer of next year.

MOTION was made by Chuck, seconded by Lackey, to authorize the Executive Director or her designee to increase the parking rate for annual passes on the north side of the Port to \$100 per year and \$25 per month effective on January 1. The motion carried unanimously in a voice vote.

### **NEW BUSINESS**

**Employee Recognition – Jim Durkee – 20 Year Anniversary.** Miranda, Bretz, and Commission recognized Durkee for his years of service.

**Approval of NOAA Facility Painting Contract.** Sylvia introduced the agenda item. Bretz reported the bidding was competitive with seven respondents. He noted staff vetted this company and checked their references. He stated they have done a lot of federal work including the Coast Guard. He indicated they had high marks from everyone and provide the best value for the Port. Lackey asked when was the last time seven companies bid. Bretz replied that is unusual. He explained the process was done through Oregon Buys, and it is possible more people get visibility. He added it may be more folks need the work.

MOTION was made by Lackey, seconded by Retherford, to authorize the Executive Director or designee authorize a contract for NOAA Painting 2023 – Tri Coast Construction not to exceed of \$44,000.00. The motion carried unanimously in a voice vote.

### **OLD BUSINESS**

**Appointment of Commissioner Liaisons.** Sylvia introduced the agenda item. Miranda overviewed liaisons included in the packet. Commissioners volunteered as follows:

<b>Organization</b>	<b>Liaison(s)</b>
AMERICAN ALBACORE FISHING ASSOCIATION <a href="http://www.americanalbacore.com">www.americanalbacore.com</a>	Aaron Bretz
ASSOCIATION OF PACIFIC PORTS (APP) <a href="http://www.pacificports.org">www.pacificports.org</a>	Paula Miranda; Kelley Retherford (alt)
BOEM OIRE Task Force <a href="https://www.boem.gov/renewable-energy/state-activities/boem-oregon-intergovernmental-renewable-energy-task-force">https://www.boem.gov/renewable-energy/state-activities/boem-oregon-intergovernmental-renewable-energy-task-force</a>	Walter Chuck; Jeff Lackey (alt)
CASCADES WEST AREA COMMISSION ON TRANSPORTATION <a href="http://www.ocwcog.org">www.ocwcog.org</a>	Gil Sylvia; Walter Chuck (alt); must be elected
CASCADES WEST COUNCIL OF GOVERNMENTS <a href="http://www.ocwcog.org">www.ocwcog.org</a>	Gil Sylvia; Walter Chuck (alt); must be elected
CASCADES WEST ECONOMIC DEVELOPMENT DISTRICT <a href="http://www.ocwcog.org">www.ocwcog.org</a>	Paula Miranda; Walter Chuck (alt.)
COMMERCIAL FISHING USERS GROUP COMMITTEE <a href="http://www.portofnewport.com">www.portofnewport.com</a>	Kelley Retherford; Jeff Lackey (alt.)
DAS OPS ORCPP, Procurement Services <a href="http://www.oregon.gov/DAS/Procurement">www.oregon.gov/DAS/Procurement</a>	Aaron Bretz; Mark Brown (alt.)
ECONOMIC DEVELOPMENT ALLIANCE OF LINCOLN COUNTY (EDALC) - <a href="http://www.coastbusiness.info">www.coastbusiness.info</a>	Paula Miranda; Aaron Bretz (alt.)
GREATER NEWPORT CHAMBER OF COMMERCE (NCOC) <a href="http://www.newportchamber.org">www.newportchamber.org</a>	Paula Miranda
MIDCOAST WATERSHEDS COUNCIL <a href="http://www.midcoastwatersheds.org">www.midcoastwatersheds.org</a>	_____ ; _____ (alt.)
NEWPORT CITY COUNCIL <a href="http://www.newportoregon.gov/citygov/mayorcouncil.asp">www.newportoregon.gov/citygov/mayorcouncil.asp</a>	Paula Miranda; Kelley Retherford (alt.)
NEWPORT VISION 2040 ADVISORY COMMITTEE <a href="https://www.newportoregon.gov/citygov/comm/v2040a.asp">https://www.newportoregon.gov/citygov/comm/v2040a.asp</a>	Gil Sylvia (currently education member); Paula Miranda (alt.)
OCEAN POLICY ADVISORY COUNCIL (OPAC) <a href="https://www.oregon.gov/LCD/OCMP/Pages/OPAC.aspx">https://www.oregon.gov/LCD/OCMP/Pages/OPAC.aspx</a>	_____
<b>Organization</b>	<b>Liaison(s)</b>
OREGON COASTAL ZONE MANAGEMENT ASSOCIATION (OCZMA) <a href="http://www.oczma.org">www.oczma.org</a>	Walter Chuck; Aaron Bretz (alt.) alternate may be staff
OREGON ECONOMIC DEVELOPMENT ASSOCIATION (OEDA) <a href="https://oeda.biz">https://oeda.biz</a>	Paula Miranda, Mark Brown
OREGON PUBLIC PORTS ASSOCIATION (OPPA) <a href="http://www.oregonports.com">www.oregonports.com</a>	Paula Miranda; Kelley Retherford (alt.)
PACIFIC COAST CONGRESS OF HARBORMASTERS AND PORT MANAGERS (PCCHPM) - <a href="http://www.pccharbormasters.org">www.pccharbormasters.org</a>	Kody Robinson; Aaron Bretz (alt.)
PACIFIC NORTHWEST WATERWAYS ASSOCIATION (PNWA) <a href="http://www.pnwa.net">www.pnwa.net</a>	Paula Miranda; Walter Chuck (alt.)



SPECIAL DISTRICTS ASSOCIATION OF OREGON (SDAO) <a href="http://www.sdao.com">www.sdao.com</a>	Paula Miranda
WESTERN FISHBOAT OWNERS ASSOCIATION <a href="http://www.wfoa-tuna.org">www.wfoa-tuna.org</a>	Aaron Bretz
YAQUINA BAY ECONOMIC FOUNDATION (YBEF)	Paula Miranda; Jeff Lackey (alt.)

Chuck suggested adding BOEM Oregon Intergovernmental Renewable Energy Task Force to the list of organizations. He volunteered to serve as primary. Lackey volunteered to serve as alternate.

**Approval of DSL Lease Assignment from Goplen–Port Dock 1.** Sylvia introduced the agenda item. Miranda reported this has been worked on for a while. She explained Commission had already authorized a MOU regarding this, and now it is ready to assign.

MOTION was made by Lackey, seconded by Ruddiman, to authorize the Executive Director to execute all documentation necessary to complete the assignment from Goplen to the Port, as attached. The motion carried unanimously in a voice vote.

Miranda added there is an annual payment to DSL as a result of this.

**Approval of Amendment to DOWL Contract for Army Corps Cap Section 107 Sediment Sampling.** Sylvia introduced the agenda item. Bretz reported Cap Section 107 in the commercial marina is currently at the feasibility stage. He stated the dredging would be for a minus 20-foot channel so fishing vessels 80+ foot can transit safely the entire length of the marina. He explained when the Port rebuilds Port Dock 7 for modern vessels, this will allow those vessels to get in there safely and maneuver. He emphasized the need to continue to move forward with sampling for the Army Corps, so they continue to be interested. He indicated there’s an additional Port portion of sampling and geotechnical work that would benefit the Port Dock 7 project and mitigation work. He added if combined together the cost is \$1.1 million, separately the cost is \$1.4 million or more because of delays. He explained the Port can’t progress the plan past conceptual until this planning work is done.

Miranda reported at this point cash flow is some of the issue. She stated both parts are important and have to get done to replace Port Dock 7. She noted Connect Oregon is around the corner. She indicated her view is to move forward with both to save \$300,000. Brown stated looking at the numbers, the Port has \$500,000 in the facility maintenance reserve fund for Port Dock 5. He noted Port Dock 5 is done but staff haven’t moved the money. He explained the NOAA capital improvement reserve fund has \$1.9 million. He added there are funds available without touching the general fund.

Miranda reported staff are looking into NOAA, so they don’t have to touch the general reserve. She explained the Port is hoping to sell the old crane. She added \$500,000 would be transferred from the NOAA facility fund. Brown noted there would need to be a budget hearing in order to transfer funds from NOAA at the next Commission meeting. Lackey asked would the NOAA fund be an internal loan or just a transfer. Brown recommended a loan. He stated there is a desire from the Commission to have these funds set aside for future projects.

Chuck asked what Port Dock 5 money was directed to. Brown replied pedestals and the electrical project at Port Dock 5. Bretz noted that part of the project is not done. Chuck noted with the rate increase, the Port said it would put that solely for the project. Miranda explained the Port paid for the pedestals out of the general fund. Brown asked what is left on Port Dock 5 electrical. Bretz replied the project needs to go out to bid, around the summer. Chuck emphasized the Commission said it was increasing rates that would go into a separate fund. He asked after the Port finishes the project, what's left. Miranda replied about \$250,000 is left over. Chuck stated he is concerned about perception. Miranda explained cash flow at the Port. Bretz stated these are all tasks that have to get completed for the Port Dock 7 rebuild. He noted if the Port waits, the delay results in a cascading effect. He indicated Port Dock 7 is critical to be redeveloped now.

Lackey asked what are some big projects coming up. Miranda replied if the Port gets the MARAD grant, staff have a couple of years to use those funds, and that project can be put on hold. She explained getting funds for the RORO Dock anytime soon is difficult because of the federal government's current state (funding would have to pass the House of Representatives). She stated the Port is trying to get Rogue Seawall done in this in-water work window. Lackey asked if there is an estimated timing on MARAD. Miranda replied in the past the grant has been announced in September, October, and December. Lackey asked what will staff do for the RORO Dock if that money falls through. Miranda replied the Port may have to stage repairs, which means it will cost more. She added she been talking to folks about the marine highway and potential funding available to help terminal improvements.

Brown explained cash flow at the Port. Sylvia stated it sounds like the Port is ad hoc trying to take care of an immediate need. He noted that's probably how Ports have to operate. He asked if the NOAA reserve was a requirement of the lease. Brown replied it is not. He explained the NOAA capital reserve fund was set up by the Commission for future NOAA projects. Chuck explained it was set up for projects such as remodeling the building or additions. Sylvia asked when the general fund gets large enough, what happens to those funds. Brown replied excess revenues are moved into reserves. Sylvia suggested at the strategic plan, the Commission discuss how to develop reserve funds and long-term finance.

Chuck confirmed with staff Connect Oregon will have about \$40 million to distribute. Sylvia stated his concern is contingency upon contingency. Chuck suggested staff bring to the next meeting, options for the mix of funding. Brown added the 10 percent Port match to the Army Corps overall project can be financed over a period of time through the Army Corps. Lackey noted staff are hoping sampling and geotechnical won't cost more than \$1.1 million. He asked is there a chance it continues to grow or end up \$2 million. Miranda replied nothing is guaranteed. She stated environmental can always increase. She noted this is the best guess estimate from the consultant. Bretz reported there is a 10-15 percent contingency built in. He noted biological testing is expensive, and these numbers are based on the worst-case scenario. He added the permitting is pending on this decision.

Lackey stated staff always do a thorough job. He asked is there any way to get a good sense of the project, at what steps there will be decision points. He asked is there a project plan to go through or is it more of a black box. Miranda replied if the Port receives a clean bill of health, things are good to go. She explained if anything is found, it is in the hand of the regulatory agency. Bretz noted the Army Corps often does this in the construction phase instead. He explained if the Port samples the material first, then the cost of disposal is half as expensive. He stated this step lowers the risk for the Corps, and without doing this step, their risk score goes higher. He added the area is a black box to them.



Lackey requested as much information as possible as the project progresses. Retherford stated she knows from attending some of the conferences, there's so many different issues going on with state agencies. She stated people are talking about environmental justice and bringing on all these different levels of regulation to fight development. She indicated the longer this goes on, the less ports can do anything, even dredge. She emphasized the urgency is now. She added the Port has options now, in another couple years, a project like this will be taken off the table. She stated no one wants to spend this kind of money on something that seems not to have a return, but the return is that this might be the Port's only window to see Port Dock 7 come into existence.

Sylvia stated this is way above contingency; it is extraordinary uncertainty. He explained the amount is off by 200 percent because of a future that ports can't predict. He noted that means significant reserves are more important. Miranda stated it is an unfortunate fact that this Port did not used to have matches for grants or reserves. She noted to put another reserve on top of the current reserve means delaying projects. She explained every port has the same cash flow issues, and just having a reserve means the Port is doing well compared to a lot of ports. Sylvia emphasized the need for a well-funded reserve. Brown replied staff are working toward exactly what Sylvia is talking about; it's just there are many critical projects.

MOTION was made by Chuck, seconded by Lackey, to authorize the Executive Director or designee to amend the DOWL contract up to and including work for Port Dock 7 planning to include the Army Corps Section 107 Project sediment sampling scope of work in an amount not to exceed \$1.1 million. The motion carried unanimously in a voice vote.

**Approval of Policy Regarding RV Park Stays and Discounts.** Sylvia introduced the agenda item. Brown reported the Commission had a work session on this. He explained he put together some conservative financial analysis. He indicated increase in cash flow of \$845,000 by year three. Sylvia confirmed with staff this should double revenue by year three. Brown stated he added people have to arrive to their spot within 72 hours for long-term stays, and 48 hours for short-term, which is less than one month. He noted he modified people can't be gone more than 3 consecutive days. Sylvia noted Brown assumed that current customers would continue to rent at the higher rate. Brown replied it is a reasonable assumption.

MOTION was made by Lackey, seconded by Retherford, to adopt the 3-year RV park plan to reduce long term stays in the RV Park, as attached. The motion carried unanimously in a voice vote.

## **STAFF REPORTS**

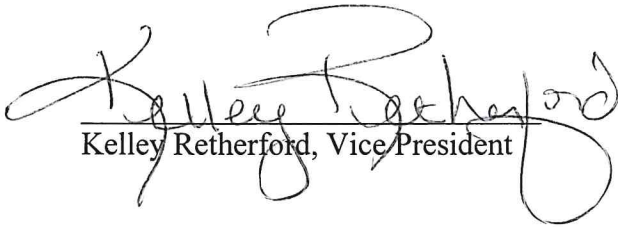
**Executive Director Report.** Miranda overviewed the conferences she attended with Commissioners. She stated she was invited to serve on the steering committee with DLCD for implementation for the estuary management plan. She noted some funds are available from NOAA for projects that improve the estuary. She explained she will look into projects that could help the Port and them. Chuck asked if there is any news on money for derelict vessels. Miranda replied it's ongoing, and DSL has already started putting money into big vessel removals. She noted she is trying to make sure they don't take all the money to bigger vessels. She indicated the Port has 12 derelict vessels again to add to the list. Bretz reported the money will not just go toward derelict boats, but also creation of database and fulltime positions for administration. He indicated ports need to present them with easy ways to say yes. He added he is hoping to do that but doesn't know how successful he will be. Sylvia noted Brown's report used to have the payment status of vessels.

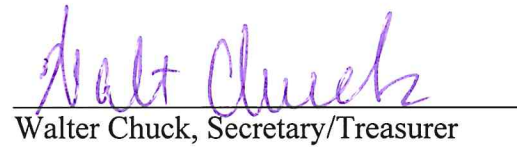
Brown replied he took that out due to switching financial systems. He added that part will return to his report. Miranda added the next Commission meeting is Nov. 21.

**ADJOURNMENT**

Having no further business, the meeting adjourned at 8:37 p.m.

ATTESTED:

  
Kelley Retherford, Vice President

  
Walter Chuck, Secretary/Treasurer